



Congressman Tim Bishop

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CONGRESSIONAL HEARING: BROADWATER SECURITY CONCERNS MUST BE RESOLVED

LI hearing raises doubts about Coast Guard readiness, benefits to customers

BROOKHAVEN, NY—On May 7, 2007, Congressman Tim Bishop (NY-1), a member of the House Subcommittee on Coast Guard and Maritime Transportation, joined Congresswoman Rosa DeLauro (CT-3) at a congressional field hearing about the “Safety and Security of Liquefied Natural Gas (LNG).” Before an audience of over 250 Long Islanders, the Representatives questioned a series of witnesses representing the U.S. Coast Guard, Federal Energy Regulatory Commission (FERC), Government Accountability Office, Broadwater, and local elected officials.

“The question is not, ‘*Does Long Island need more natural gas?*’ The answer to that is yes,” said Bishop in his opening statement. “The question is, ‘*Is Broadwater the most efficient, safest way to bring more natural gas to Long Island?*’ There are alternative solutions that would not require the same level of security or pose the same risks to the environment as Broadwater.”

Witnesses could not identify where the millions of dollars required to provide security for Broadwater would come from. Under questioning, the Coast Guard admitted that it does not yet know how it would re-allocate or supplement its resources in order to secure Broadwater. Rep. DeLauro stated it was highly unlikely that Congress would allocate such additional funds for the Coast Guard given the current fiscal constraints in Washington. Mark Robinson, Director, Office of Energy Projects at FERC, said the agency would take a final position on the terminal “when the record is complete,” and added that if the necessary funds were not found in time, FERC would suspend Broadwater’s application.

Local officials contended that they had not been properly briefed about the Broadwater approval process. They also expressed concerns over potentially irreparable damage to the Sound’s recreation and fishing industries resulting from regular intrusion of LNG tankers.

Additional concerns about security were raised due to the likelihood that the tankers would not sail under the U.S. flag or have American crews. “These massive tankers, with four times the energy potential of the bomb dropped on Hiroshima, could be crewed by foreign workers whose background, training and expertise are not held to the same regulatory and security standards as U.S. flagged vessels,” said Bishop. It was also revealed that the Broadwater facility would likely be built in Asia.

The firms sponsoring the Broadwater proposal have marketed its cost-saving benefits for

consumers, touting a \$300 figure for the estimated savings a household would enjoy. However, the Broadwater representative, senior vice-president John Hritcko, could not provide a clear explanation for the methods used to estimate such savings and admitted that additional costs for security had not been calculated as part of its estimate. Responding to questioning about how he could offer a specific dollar figure for savings when there were so many unknowns about its expenses, Hritcko offered his assurances that Broadwater, a joint venture of Shell Oil and TransCanada, would not pass the additional operations costs to consumers.

Broadwater is one of a nearly 40 offshore LNG terminals seeking licenses for construction in different regions of the country. Earlier this year, Congressman Bishop introduced another legislative challenge to Broadwater -- the National Estuary Protection Act of 2007, which would block highly volatile and environmentally hazardous LNG facilities from being placed in estuaries of national significance, such as the Long Island Sound.

PHOTOS AVAILABLE: Photos of the hearing are available for download and printing from <http://www.flickr.com/photos/7307564@N03/>.

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